

DEBT/CAPITAL TYPE REVENUE SOURCES

The only “debt” a district may incur:

- a. General Obligation (G.O.) Bonds

Other sources of “capital” type revenue that is NOT considered a debt of the district:

- a. Tax Anticipation (TA) Notes
- b. Revenue Bonds
- c. Deferred Payment
- d. Energy Savings Performance Contracts
- e. Lease Purchase

<u>SOURCE OF REVENUE</u>	<u>AUTHORIZATION</u>	<u>DEBT OF DISTRICT</u>	<u>PAY BACK</u>
General Obligation (G.O.) Bonds <i>Long-term debt issued by a district and serviced from general taxes.</i> <i>108.170-200/164.121, RSMo.,</i> <i>Art. VI, Sec 26, Missouri Constitution</i>	Voted by tax payer	Yes	Levy in DS Fund
Tax Anticipation Note (TA) <i>A loan against anticipated tax revenue. Issued by fund.</i> <i>Outstanding notes cannot exceed the board’s estimate of the requirements for the fund for the year. Must be repaid within 12 months.</i> <i>165.131, RSMo.</i>	Local Board	No	Future tax receipts in particular fund
Revenue Bonds <i>A loan against anticipated revenue from a revenue generating facility (for example an athletic stadium)</i> <i>164.231, RSMo</i>	Local Board	No	Can only be paid back from revenue generated from facility. (CANNOT use district funds to pay off bonds.)
Energy Savings Performance Contract <i>A DNR loan/contract for the specific purpose updating energy conservation related capital equipment (lighting, heating, windows, etc.) Energy savings must be certified/guaranteed by the contractor.</i> <i>8.231 / 165.011.10 / 640.651, RSMo.</i>	Local Board	No	Can only be paid back from guaranteed energy savings resulting from the renovation. (CANNOT use district funds to pay off bonds.)

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<u>SOURCE OF REVENUE</u>	<u>AUTHORIZATION</u>	<u>DEBT OF DISTRICT</u>	<u>PAY BACK</u>
Lease Purchase <i>Lease purchase can be done to provide for the acquisition, construction, improvement, extension, repair, remodeling, renovation and financing of sites, buildings, facilities, furnishings, and equipment for the use of the educational institution for educational purposes.</i> <i>177.088, RSMo</i>	Local Board with proper public notification	No	<p>Must be done through a third party, not-for-profit corporation formed under the general not-for-profit corporation law of Missouri, Chapter 355, RSMO.</p> <p>Lease purchases entered into <u>before 1/1/97</u> may be paid back through statutory transfers to the Capital Projects Fund.</p> <p>Lease purchases entered into <u>after 1/1/97</u> require a tax rate to be set in the Capital Projects Fund. (except school buses and office copiers)</p>